

# Mineral Industry Surveys

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## GOLD IN JULY 2009

U.S. mines produced 16,100 kilograms (kg) of gold in July, a slight decrease compared with June production, according to the U.S. Geological Survey. The average daily gold production for U.S. mines was 520 kilograms per day (kg/d) in July, compared with 541 kg/d for June and 641 kg/d for full year 2008.

The average Engelhard Industries' gold price was \$936.55 per troy ounce for July, down slightly compared with the average gold price in June. The gold price began the month at \$940.50 per troy ounce and fell to \$910.69 per troy ounce by July 13, the lowest point for the month. The price increased to a high of \$957.27 per troy ounce before ending the month at \$941.25 per troy ounce.

Violence erupted at Freeport-McMoRan Copper and Gold Inc.'s (Phoenix, AZ) Grasberg Mine in Indonesia. The disturbance started on July 8, the same day as the Indonesian presidential election, when a Freeport bus was set on fire; there were no fatalities. On July 12, a security guard was slain and seven other people, including some police officers, were injured by gunfire near the mine as they searched for the killers of a worker the day before. Since July 22, no shots had been fired at Freeport vehicles, although incidents continued in the surrounding areas. Police charged two Freeport employees and five others with premeditated murder and illegal possession of firearms (Mining Journal, 2009a; Wright, 2009).

A civil lawsuit reportedly was filed by Nunamta Aulukestai, an organization of eight native village corporations, against the Alaskan Department of Natural Resources (DNR) to prevent the development of the Pebble project, a joint venture between Anglo American plc (London, United Kingdom) and Northern Dynasty Minerals Ltd. (Vancouver, British Columbia, Canada). The lawsuit claimed that DNR violated the state's constitution by granting exploration permits for the Pebble project. The lawsuit seeks a preliminary injunction that would stop exploration activity until the suit is settled (Mining Journal, 2009b).

In the first half of 2009, the five leading gold-producing countries were China (147,000 kg), Australia (112,000 kg), the United States (105,000 kg), South Africa (103,000 kg), and Russia (66,900 kg). Chinese and Russian gold production in the first half of 2009 was up 13% and 27%, respectively, as compared with that of the same period of 2008. Australia's gold industry has started to recover, and the country was on track to become the second leading producing country for 2009. South African gold production has not yet recovered from the production loss owing to the power shortages in 2008, and first half 2009 production was 6% less than that in the first half of 2008. However, production in the second half 2009 was projected to increase and South Africa could end the year as the third leading gold-producing country, ahead of the United States (Interfax China Mining & Metals Weekly, 2009; Interfax Russia and CIS Metals and Mining Weekly, 2009; Metals Place, 2009; Surbiton Associates Pty Ltd., 2009).

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TABLE 1  
MINE PRODUCTION OF RECOVERABLE GOLD IN THE UNITED  
STATES, BY STATE<sup>1</sup>

(Kilograms)

	Nevada	Other States <sup>2</sup>	Total
<b>2008:<sup>P</sup></b>			
July	15,500	5,130	20,700
August	14,500	4,670	19,200
September	15,200	5,160	20,400
October	16,200	4,610	20,800
November	16,100	4,850	20,900
December	19,300	5,410	24,700
January-December	179,000	55,400	235,000
<b>2009:</b>			
January	13,500 <sup>r</sup>	3,900	17,400 <sup>r</sup>
February	12,000 <sup>r</sup>	4,220	16,200
March	14,000	5,930	19,900
April	12,600 <sup>r</sup>	4,750	17,300
May	12,400	5,620	18,000
June	11,100	5,120	16,200
July	11,100	5,030	16,100
January-July	86,600	34,600	121,000

<sup>P</sup>Preliminary. <sup>r</sup>Revised.

<sup>1</sup>Data are rounded to no more than three significant digits; may not add to totals shown.

<sup>2</sup>Includes Alaska, Arizona, California, Colorado, Idaho, Montana, New Mexico, South Dakota, Utah, and Washington.

TABLE 2  
GOLD PRICES

(Dollars per troy ounce)

<b>Engelhard Industries:</b>	
2008:	
Low/date	714.36 Oct. 24
High/date	1,013.62 Mar. 17
Average	767.57
2009:	
June:	
Low/date	921.46/22
High/date	984.07/1
Average	947.93
July:	
Low/date	910.69/13
High/date	957.27/27
Average	936.55
Year to date:	
Low/date	812.03 Jan. 15
High/date	991.33 Feb. 20
Average	919.87
<b>Handy and Harman:</b>	
2008, Average	766.00
2009:	
June	945.67
July	934.31
Year to date	918.23
<b>London Final:</b>	
2008, Average	765.79
2009:	
June	945.37
July	934.29
Year to date	918.16

Source: Platts Metals Week.

TABLE 3  
U.S. IMPORTS AND EXPORTS OF GOLD<sup>1</sup>

(Kilograms of gold content, unless otherwise specified)

Period and country	Ores and concentrates <sup>2</sup>	Doré and precipitates	Refined bullion <sup>3</sup>	Total <sup>4</sup>	Waste and scrap (gross weight)	Metal powder (gross weight)	Gold compounds (gross weight)
<b>Imports for consumption:</b>							
2008	27,500	85,100	118,000	231,000	36,500	322	102,000
<b>2009:</b>							
May	286	11,800	6,200	18,300	3,380	110	6,340
<b>June:</b>							
Brazil	--	--	2,450 <sup>5</sup>	2,450	--	--	--
Canada	--	(6)	12,200 <sup>5</sup>	12,200	491 <sup>5</sup>	(6)	--
Chile	--	112	490 <sup>5</sup>	603	--	--	--
Colombia	--	1,430 <sup>5</sup>	885 <sup>5</sup>	2,320	4 <sup>5</sup>	--	--
Costa Rica	--	75	--	75	227	--	--
Dominican Republic	--	130 <sup>5</sup>	--	130	1,220 <sup>5</sup>	--	--
Ecuador	--	33	179	212	--	--	--
El Salvador	--	--	--	--	301	--	--
Guatemala	--	681 <sup>5</sup>	--	681	118 <sup>5</sup>	--	--
Guyana	--	319 <sup>5</sup>	--	319	20	--	--
Honduras	--	177 <sup>5</sup>	--	177	481 <sup>5</sup>	--	--
Japan	--	--	15	15	--	--	2,860 <sup>5</sup>
Mexico	101 <sup>5</sup>	7,030 <sup>5</sup>	2,410 <sup>5</sup>	9,540	592 <sup>5</sup>	6 <sup>5</sup>	--
Nicaragua	--	104 <sup>5</sup>	5 <sup>5</sup>	110	126	--	--
Peru	--	1,640 <sup>5</sup>	--	1,640	--	--	--
Switzerland	--	1 <sup>5</sup>	194 <sup>5</sup>	196	--	--	--
Other	2 <sup>5</sup>	128 <sup>5</sup>	97 <sup>5</sup>	226	170 <sup>5</sup>	5 <sup>5</sup>	--
Total	103	11,900	18,900	30,900	3,750	11	2,860
Year to date	36,900	66,400	64,200	167,000	19,900	237	20,800
<b>Exports:</b>							
2008	2,430	106,000	460,000	568,000	886,000	1,200	2,920,000
<b>2009:</b>							
May	151	9,880	25,200	35,200	62,400	19	181,000
<b>June:</b>							
Belgium	--	--	--	--	94,500	--	--
Canada	--	--	1,500 <sup>5</sup>	1,500	4,480 <sup>5</sup>	--	56,300 <sup>5</sup>
China	--	--	(6)	(6)	--	--	51,600 <sup>5</sup>
Colombia	--	--	--	--	--	--	1,880 <sup>5</sup>
Dominican Republic	--	--	(6)	(6)	--	--	3,070 <sup>5</sup>
Germany	42 <sup>5</sup>	--	--	42	3,980 <sup>5</sup>	(6)	316 <sup>5</sup>
Hong Kong	--	--	12	12	--	2	3,880 <sup>5</sup>
India	1 <sup>5</sup>	--	1,510 <sup>5</sup>	1,510	--	--	--
Malaysia	--	--	39	39	--	--	8,330 <sup>5</sup>
Mexico	33 <sup>5</sup>	--	157 <sup>5</sup>	190	--	1	852 <sup>5</sup>
Singapore	--	--	--	--	--	--	204,000 <sup>5</sup>
Switzerland	2 <sup>5</sup>	7,460 <sup>5</sup>	647	8,110	78	--	--
Taiwan	--	--	--	--	--	--	11,100 <sup>5</sup>
United Kingdom	2 <sup>5</sup>	--	16,100 <sup>5</sup>	16,100	24,800 <sup>5</sup>	5 <sup>5</sup>	1,500 <sup>5</sup>
Other	41 <sup>5</sup>	14 <sup>5</sup>	85 <sup>5</sup>	143	66 <sup>5</sup>	6 <sup>5</sup>	257 <sup>5</sup>
Total	121	7,470	20,000	27,600	128,000	14	343,000
Year to date	922	52,900	140,000	194,000	428,000	143	1,280,000

-- Zero.

<sup>1</sup>Data are rounded to no more than three significant digits; may not add to totals shown.

<sup>2</sup>Includes gold content of base metal ores, concentrates, and matte imported for refining.

<sup>3</sup>Bullion also moves in both directions between U.S. markets and foreign stocks on deposit in the Federal Reserve Bank. Monetary gold excluded.

<sup>4</sup>"Waste and scrap," "Metal powder," and "Gold compounds" not included in "Total."

<sup>5</sup>All or part of these data have been referred to the U.S. Census Bureau for verification.

<sup>6</sup>Less than ½ unit.

Source: U.S. Census Bureau.